



2019 State Legislative Update

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2019 Legislative Platform Includes 3 proposals







Proposal 1 – Lassen County

Clarifies that postmarks for excess proceeds must be postmarked by the one-year date.





Proposal 2 – Madera County

Increases the threshold amount so that county resources are not expended for amounts less than twenty dollars (\$20) in overs/shorts. It will also permit tax collectors that have been authorized to use a Cash Difference Fund to comingle the overages and the shortages for property tax-related payments into the same account /fund held in the county's automated accounting system. The proposal also corrects a cross-reference in the body of this section of the Revenue and Taxation code section.





Proposal 3 - Madera County

Will codify specific language that enables county treasurers to enter into agreements in order to provide secure transportation of moneys.





These three items are on contained in an omnibus bill, SB 789, which is moving ahead with unanimous bipartisan support





Other Legislation of Interest





AB 173 (Chau) – mobile home tax and fee waiver program.

Oppose unless amended.

Referred to Senate Housing.





AB 857 (Chiu, Santiago) – Establish a process to form a public bank.

Oppose





AB 286 (Bonta) – temporarily lowering sales tax on cannabis to bring in more of the market.

Held on Asm Approps Support





AB 945 (McCarty) increases to 50% the amount of a public agency's surplus funds can have in one type of deposit authorized in Gov Code 53601.8.

CACTTC is opposed to this unless amended to only eliminate the sunset. Being heard next week.





AB 1416 (Cooley) cleans up the Privacy Act from last year to make sure that public agencies can still acquire data from private entities in order to deliver public services.

Support / to Senate – no hearing date scheduled.





AB 1637 (Smith) will authorize the State Controller to return unclaimed property to public agencies without first requiring the local agency to submit a claim.

To Sen Judiciary (Support)





SB 770 (Galgiani) would change ownership equity requirements to apply for a PTP lien. CACTTC: Concern

Held in Senate Appropriations.

Also: AB 133 (lowers rate to 5%) – that still moving





SB 51 (Hertzberg)

- To Assembly hearing in late June.
- Authorizes the creation of limited charter banks and special purpose checks to pay state and local taxes (and other things)





Anticipated bill to amend AB 195.

AB 195 requires the ballot for local tax measures to include the **interest rate** and duration of the tax, and how much money will be raised.





2019-2020 Budget

- \$215 billion: \$148 billion general fund, \$61 special funds, \$6 billion bonds.
- Individual mandate tax to pay for health care subsidies.
- Cap and trade funding to pay for groundwater cleanup / safe drinking water.
- Medi-cal expansion.
- Child support funding first time in 19 years.





Cannabis Trailer Bill

- New fine authority for locals 5K, 30K for violations of law.
- Provisional licenses extended to 2025.
- Locals can renew provisionals every 12 months. Also can cancel.
- CEQA exemption out to 2021 for local ordinances.
- Authorizes grants to locals to study establishing an equity program.





Newsom Administration Initiatives

- High speed rail scaled back.
- Shift to one tunnel.
- Housing and Homelessness: approximately \$2 billion investment as proposed in Budget.
- Wildfire Preparedness, Recovery.
- Debt Repayment.
- Medi-Cal expansion.
- 51 Lawsuits against the Trump Administration





Legislative Initiatives

- Tax relief on diapers, women's products
- Drinking water (no tax)
- School bonds
- Enacting protections in California to buffer any federal weakening of laws for housing, environment, employment





March 2020

Presidential Primary on March 3.

November 2020

- Presidential Election November 3.
- Split roll could generate \$6.5 billion to \$10.5 billion; schools (40%) / local governments (60%)
- November 3: bail reform referendum





Voter Turn-Out in November 2020 Blue Tsunami in California? Down-ticket races?

(Re)Registration of elected officials?





California Voter Registration

Report Date	Eligible Voters ¹	Registered Voters	Percent
February 10, 2019	25,259,865	19,978,449	79.09%
February 10, 2017	24,939,710	19,432,609	77.92%
February 10, 2015	24,362,774	17,717,936	72.73%
February 10, 2013	23,857,732	18,055,783	75.68%
February 10, 2011	23,605,858	17,186,531	72.81%
February 10, 2009	23,302,897	17,334,275	74.39%





California Registration Breakdown

REGISTRATION BY POLITICAL PARTY						
Report Date	<u>Democratic</u>	Republican	No Party Preference	<u>Other</u>		
February 10, 2019	8,612,368	4,709,851	5,645,665	1,010,565		
	43.1%	23.6%	28.3%	5.1%		
February 10, 2017	8,700,440	5,027,714	4,762,212	942,243		
	44.8%	25.9%	24.5%	4.8%		
February 10, 2015	7,645,173	4,958,225	4,175,643	938,895		
	43.2%	28.0%	23.6%	5.3%		
February 10, 2013	7,932,373	5,225,675	3,766,457	1,131,278		
	43.9%	28.9%	20.9%	6.3%		
February 10, 2011	7,569,581	5,307,411	3,507,119	802,420		
	44.0%	30.9%	20.4%	4.7%		
February 10, 2009	7,716,790	5,397,434	3,465,345	754,706		
	44.5%	31.1%	20.0%	4.3%		





California Elected Profile

Assembly Dems: 61

Assembly Republicans: 19

Senate Dems: 29

Senate Republicans:11





2020 Turnout

Conventional wisdom is that turnout in 2020 could further push California "left" as a message to Washington DC.

Republicans not expected to recover until November 22, take back some seats lost.





2020 Legislative Platform Development Memo - Coming July 2019





Questions?